

STATE OF MICHIGAN
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
COMPONENT UNITS - PROPRIETARY
FISCAL YEAR ENDED SEPTEMBER 30, 1999
(In Thousands)

	MICHIGAN STATE HOSPITAL FINANCE AUTHORITY	MICHIGAN EDUCATION TRUST	MICHIGAN HIGHER EDUCATION STUDENT LOAN AUTHORITY	MICHIGAN HIGHER EDUCATION ASSISTANCE AUTHORITY	MACKINAC ISLAND STATE PARK COMMISSION	MICHIGAN STRATEGIC FUND
OPERATING REVENUES						
Operating revenues	\$ -	\$ -	\$ -	\$ 52,269	\$ 3,510	\$ -
Interest income	265	48,262	46,112	-	-	-
Investment revenue (net)	-	(45,455)	12,311	-	-	-
Miscellaneous:						
Federal revenues	-	-	4,429	4,471	-	-
Other	1,274	413	-	-	-	-
Total miscellaneous	<u>1,274</u>	<u>413</u>	<u>4,429</u>	<u>4,471</u>	<u>-</u>	<u>-</u>
Total Operating Revenues	<u>1,539</u>	<u>3,221</u>	<u>62,852</u>	<u>56,740</u>	<u>3,510</u>	<u>-</u>
OPERATING EXPENSES						
Salaries, wages, and other administrative	1,103	1,427	9,926	8,074	3,280	-
Interest expense	-	-	40,071	-	-	-
Depreciation	4	-	-	-	306	-
Purchases for resale	-	-	-	-	439	-
Other operating expenses:						
Loan loss expense	-	-	-	-	-	-
Tuition benefit expense	-	56,256	-	-	-	-
Amortization of deferred issue costs	-	-	853	-	-	-
Miscellaneous	-	-	9,961	44,200	-	-
Total other operating expenses	<u>-</u>	<u>56,256</u>	<u>10,814</u>	<u>44,200</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	<u>1,107</u>	<u>57,682</u>	<u>60,811</u>	<u>52,274</u>	<u>4,025</u>	<u>-</u>
Operating Income (Loss)	<u>432</u>	<u>(54,462)</u>	<u>2,041</u>	<u>4,465</u>	<u>(514)</u>	<u>-</u>
NONOPERATING REVENUES (EXPENSES)						
Federal grant revenue	-	-	-	-	-	-
Interest revenue	-	-	-	112	136	-
Other nonoperating revenues	-	-	-	9,149	214	-
Nonoperating grants	-	-	-	-	-	-
Interest expense	-	-	-	-	(184)	-
Other nonoperating expense	-	-	-	-	(14)	-
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,262</u>	<u>153</u>	<u>-</u>
Income (Loss) Before Operating Transfers	<u>432</u>	<u>(54,462)</u>	<u>2,041</u>	<u>13,727</u>	<u>(362)</u>	<u>-</u>
OPERATING TRANSFERS						
Operating transfers from component units	-	-	-	-	-	-
Operating transfers from primary government	-	-	-	-	1,809	-
Operating transfers to primary government	-	-	-	-	(995)	-
Total Operating Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>814</u>	<u>-</u>
Net Income (Loss)	<u>432</u>	<u>(54,462)</u>	<u>2,041</u>	<u>13,727</u>	<u>452</u>	<u>-</u>
Retained Earnings - Beginning of fiscal year - restated	8,687	155,745	85,615	26,969	5,848	171,381
Effect of accounting change	-	-	-	-	-	(171,381)
Retained Earnings - Beginning of fiscal year -	<u>8,687</u>	<u>155,745</u>	<u>85,615</u>	<u>26,969</u>	<u>5,848</u>	<u>-</u>
Equity transfer to component units	-	-	-	(36,118)	-	-
Retained Earnings - End of fiscal year	<u>\$ 9,119</u>	<u>\$ 101,283</u>	<u>\$ 87,656</u>	<u>\$ 4,578</u>	<u>\$ 6,300</u>	<u>\$ -</u>

* The prior year amounts have been restated to reflect the removal of the Michigan Strategic Fund from the proprietary statements and to reflect reclassifications of line items.

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COMPONENT UNITS - PROPRIETARY
FISCAL YEAR ENDED SEPTEMBER 30, 1999
(In Thousands)

	MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY	MICHIGAN MUNICIPAL BOND AUTHORITY	STATE BAR OF MICHIGAN	MICHIGAN ECONOMIC DEVELOPMENT CORPORATION	TOTALS	
					FISCAL YEARS ENDED	
					SEPTEMBER 30, 1999	SEPTEMBER 30, 1998 RESTATED*
OPERATING REVENUES						
Operating revenues	\$ -	\$ -	\$ 8,136	\$ -	\$ 63,915	\$ 64,806
Interest income	147,930	128,805	-	-	371,374	348,224
Investment revenue (net)	30,919	-	-	7,613	5,388	84,035
Miscellaneous:						
Federal revenues	6,107	-	-	-	15,007	73,469
Other	16,956	3,979	297	124	23,044	16,518
Total miscellaneous	23,063	3,979	297	124	38,051	89,987
Total Operating Revenues	201,911	132,784	8,433	7,738	478,728	587,051
OPERATING EXPENSES						
Salaries, wages, and other administrative	22,330	7,246	8,988	21,966	84,340	62,971
Interest expense	131,270	106,472	-	-	277,812	264,560
Depreciation	-	-	-	-	310	295
Purchases for resale	-	-	-	-	439	354
Other operating expenses:						
Loan loss expense	1,542	-	-	-	1,542	59,983
Tuition benefit expense	-	-	-	-	56,256	27,312
Amortization of deferred issue costs	-	2,914	-	-	3,767	3,218
Miscellaneous	5,656	-	14	-	59,831	56,334
Total other operating expenses	7,198	2,914	14	-	121,396	146,846
Total Operating Expenses	160,798	116,632	9,002	21,966	484,297	475,026
Operating Income (Loss)	41,114	16,152	(568)	(14,228)	(5,569)	112,025
NONOPERATING REVENUES (EXPENSES)						
Federal grant revenue	71,735	-	-	618	72,353	40,689
Interest revenue	-	-	1,033	-	1,281	4,452
Other nonoperating revenues	-	-	-	-	9,363	498
Nonoperating grants	(79,557)	-	-	(41,138)	(120,695)	(78,791)
Interest expense	-	-	(47)	-	(231)	(248)
Other nonoperating expense	-	-	-	-	(14)	-
Total Nonoperating Revenues (Expenses)	(7,822)	-	986	(40,520)	(37,942)	(33,400)
Income (Loss) Before Operating Transfers	33,292	16,152	418	(54,749)	(43,512)	78,626
OPERATING TRANSFERS						
Operating transfers from component units	-	-	-	126,814	126,814	-
Operating transfers from primary government	-	-	-	-	1,809	1,713
Operating transfers to primary government	-	-	-	-	(995)	-
Total Operating Transfers In (Out)	-	-	-	126,814	127,628	1,713
Net Income (Loss)	33,292	16,152	418	72,066	84,117	80,339
Retained Earnings - Beginning of fiscal year - restated	321,128	71,788	6,864	-	854,026	602,306
Effect of accounting change	-	-	-	-	(171,381)	-
Retained Earnings - Beginning of fiscal year -	321,128	71,788	6,864	-	682,645	602,306
Equity transfer to component units	-	-	-	-	(36,118)	-
Retained Earnings - End of fiscal year	\$ 354,420	\$ 87,940	\$ 7,282	\$ 72,066	\$ 730,643	\$ 682,645

* The prior year amounts have been restated to reflect the removal of the Michigan Strategic Fund from the proprietary statements and to reflect reclassifications of line items.